

COMMUNICATOR

August 2011

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U.S. Small Business Administration

Gregg's Restaurants and Pubs and Versatile Marketing Solutions Part of 'SBA 100'

SBA 100 highlights the Warwick businesses that are growing, creating jobs with SBA assistance

Two Rhode Island small businesses are among the SBA 100 companies. The SBA 100 features one hundred businesses that have created at least 100 jobs since receiving SBA assistance.

In 1972, Gregg's opened its first restaurant in Warwick with 45 employees. A comfortable 130-seat, family-style restaurant with affordable prices, the menu was limited to mainly deli-style sandwiches, home style soups, chowder, a variety of salads, a bakery and a beer and wine menu.

Over the years, the menu grew to include dinners, daily specials and late night breakfast items. In 1979, an SBA 504 loan was used to open the company's second restaurant in East Providence.

One of Gregg's busiest locations opened in 1985 on North Main Street in Providence, again with an SBA 504 loan. Gregg's also opened a commissary in Pawtucket to produce practically all their bakery items and food items such as soups, sauces and gravies that are used in each restaurant.

The fourth restaurant opened in North Kingstown in April 1993. Today, each restaurant handles between 8,000 and 10,000 customers per week.

In January 2009, long time vice president of operations, Bob Bacon, and his wife Bobbie purchased the restaurant group. Once again, the SBA 504 loan program was an integral part of the transaction. With the continuity of management the transition was seamless for Gregg's staff, which has grown to over 450.

Versatile Marketing Solutions, doing business as VMS Alarms, began operations in 2003 from CEO Jay Gotra's apartment with a phone line and a business plan. Gotra, Brian Fabiano, VP; and Barry Crins, VP Sales, previously worked for a large home alarm company, learning every facet of the business. When that company split up, Versatile Marketing Solutions was formed.

From 2003-2006 VMS focused on sales and marketing, selling alarm systems through other alarm dealers in the Northeast. The company realized the weaknesses these alarm companies possessed, specifically in scheduling and customer service. To counter the weaknesses VMS added a technician of their own, with the proper training and support system.

In June 2006, VMS received its first SBA-backed loan from Bank of America, which enabled the company to

become VMS Alarms, a self-contained, full service alarm company with 10 technicians of their own, as well as a full customer service and scheduling department.

In 2007, VMS generated \$1.8 million in revenue and employed 35 employees. The following year the company enjoyed tremendous growth with revenues jumping 260 percent to \$4.8 million and the number of employees increasing to 65. The company opened external sale offices, joined Monitronics International and began to grow installation coverage outside of New England into eight states.

In August 2009, VMS received a second SBA-guaranteed loan for \$200,000 to purchase a 15,000 square foot office building where the company maintains its senior sales and administrative support staff. VMS ended 2009 with \$8.4 million in revenue and 70 employees.

The Warwick-based company has doubled the senior sales staff, adding two more states of installation coverage and more than 120 full time administrative, installation, and sales positions between August 2009 and August 2010.

(See SBA 100 Pg. 6)

AMERICA'S BEST: Telling Their Stories Their Way



The America's Best video series was produced under a co-sponsorship agreement between SBA and ADP®. Through such partnerships SBA is able to provide the small business community with quality educational and motivational products, such as the America's Best video series.

The America's Best video series showcases six businesses that are alumni of SBA's 2003-2005 Hall of Fame. Each has a

story to tell. This unique series highlights their successes, but also the personal struggles and challenges faced by the owners, former owners and key executives of the companies. The audience experiences what it takes to build and sustain a business through the professional and personal drama that is the life of each of these individuals.

The video series is part of SBA's ongoing efforts to empower

entrepreneurs and provide high-growth small businesses with the tools and information they need to succeed.

The companies profiled are: Allen Edmonds Shoe, Cerner, Columbia Sportswear, Gymboree, Radio One, and Ruiz Foods. The video series is available at www.sba.gov/americasbest.

SBA, Resource Partners Offer Contractor, Entrepreneurial Workshops

Estimating and Bidding on Construction Contracts

Thursday, September 8, 8 a.m. – 4 p.m., Location: Johnson & Wales University, Friedman Center, 299 Harborside Blvd., Providence. Learn the prerequisites and proven techniques for accurate and competitive construction estimating and bidding. Techniques may be used by both general contractors and specialty trades. To register for this free workshop visit www.risbdc.org and click on training and events, or call the RISBDC at 401-598-2702.

SBA Certification Program

Thursday, September 8, 10 a.m. - 12 p.m. Location: 132 George M. Cohen Blvd., Providence. Learn about the government contracting certification programs 8(a), 8(m) and

Hubzone which are all geared toward assisting socially and economically disadvantaged businesses and small businesses located in historically underutilized business zones. Register for this free workshop by calling the Center for Women & Enterprise (CWE) at 401-277-0800.

How To: Explore Entrepreneurship

Friday, September 9 - 10:30 a.m. Location: 132 George M. Cohen Blvd., Providence. Learn about risks and rewards of starting up your own business. Discuss your business ideas with a program manager. Register for this free workshop by calling CWE at 401-277-0800.

How To: Obtain Bank Financing

Friday, September 9, 10:45 - 11:45 a.m. Location: 132 George

M. Cohen Blvd., Providence. Join a banking expert for this free session on obtaining a loan to start or expand your small business. Call CWE at 401-277-0800 to register.

How To: Choose Your Legal Entity

Friday, September 9, 12 - 1 p.m. Location: 132 George M. Cohen Blvd., Providence. Learn the advantages and disadvantages of various business structures (e.g. sole proprietorship, partnership, limited liability company). Workshop is free. Register by calling CWE at 401-277-0800.

CEP: Visioning (4 week course)

Tuesday, September 13, 6 - 9 p.m. Location: 132 George M. Cohen Blvd., Providence. Explore the challenges and rewards of starting a small business. Cost is \$135. Register

by calling CWE at 401-277-0800.

Federal Government Contract Accounting and Recordkeeping

Thursday, September 22, 8 a.m. – 4 p.m., Location: Johnson & Wales University, Friedman Center, 299 Harborside Blvd., Providence. This course will provide the business owner with an understanding of the basic principles and uniqueness of government contract accounting. To register for this free workshop visit www.risbdc.org and click on training and events, or call the RISBDC at 401-598-2702.



Mark S. Hayward

From the District Director's Desk

I attended the 2011 America East Lender Conference last week in Buffalo and Niagara Falls, N.Y. It was great to see members of our Rhode Island lending community among the 400 attendees.

The conference spotlighted exporting and international trade and the new SBA programs that support these initiatives and present opportunities for our small businesses.

Next year's America East Lender

Conference will be held in Baltimore.

The SBA will be well represented at the 2011 We Mean Business Expo on Wednesday, September 7th, at the Crowne Plaza Hotel in Warwick. We Mean Business is a collaboration of Rhode Island Secretary of State A. Ralph Mollis' Business Information Center and the Rhode Island Economic Development Corporation. More than 100 federal, state and municipal agencies and non-profit organizations have been invited to exhibit. This is a great opportunity to connect with those that have the expertise to help and provide solutions for your small business.

Preparations are now underway for various SBA events in the coming months and into the new fiscal year. A conference for women small business owners and entrepreneurs, and women with a strong interest in owning a small

business or contracting with the government will be sponsored by the SBA on Friday, September 30th.

As part of the 12th Annual Rhode Island Minority Enterprise Development Week (MED), we'll honor the 2011 Rhode Island Minority Small Business Person of the Year on Wednesday, October 19th.

Traditionally, MED Week is an observance celebrating the outstanding achievements of minority small businesses, and recognizes their significant contributions to our nation's economy.

Each of these events is early in development, and we'll reach out to you and provide more details as they become available.

SBA Patriot Express Loans Top \$633 Million

In just four years the U.S. Small Business Administration's Patriot Express Pilot Loan Guarantee Initiative has provided more than \$633 million in SBA-guaranteed loans to 7,650 veterans to start or expand their small businesses.

In Rhode Island, Patriot Express has provided 42 SBA-guaranteed loans to veterans totaling \$6.3 million.

Patriot Express, a pilot loan product, with streamlined

paperwork, and based on the agency's SBA Express program, offers an enhanced guaranty and interest rate on loans to small businesses owned by veterans, reservists and their spouses.

Patriot Express was launched June 28, 2007, to expand upon the more than \$1 billion in loans SBA guarantees annually for veteran-owned businesses across all its loan programs. SBA also offers counseling assistance and procurement support each year

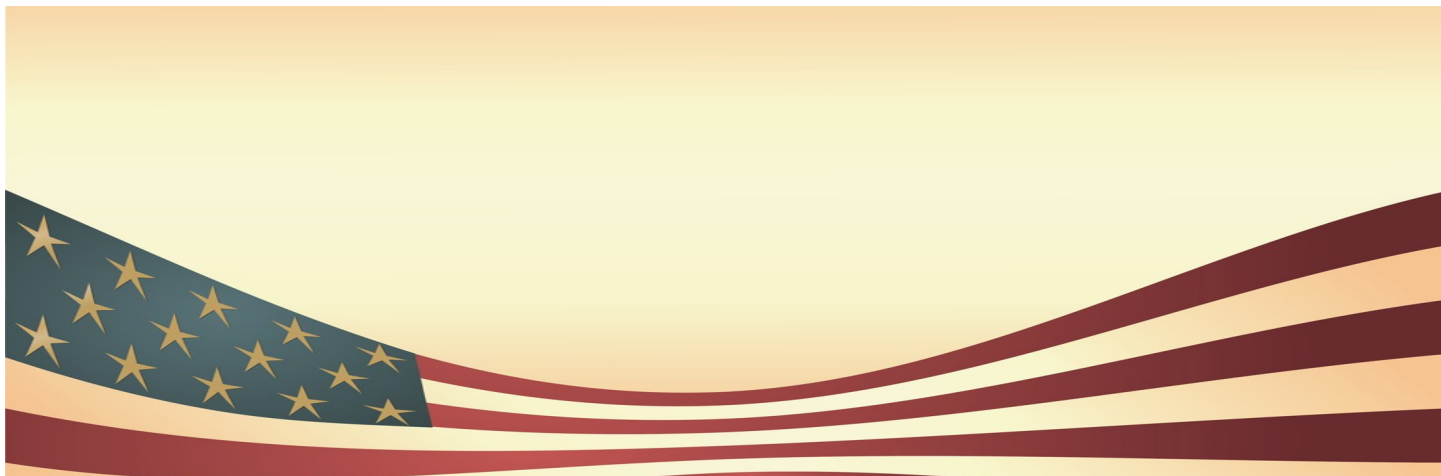
to more than 200,000 veterans, service-disabled veterans, reservists and members of the National Guard and their spouses.

Patriot Express loans are offered by SBA's network of participating lenders nationwide and feature one of SBA's fastest turnaround times for loan approvals. Patriot Express loans are available for up to \$500,000.

The Patriot Express loan can be used for most business purposes, including start-up,

expansion, equipment purchases, working capital, inventory or business-occupied real-estate purchases. Local SBA district offices can provide lists of Patriot Express lenders in their areas. Details on the initiative can be found at www.sba.gov/patriotexpress.

To learn more about additional opportunities for veterans available through the SBA, please visit the website at www.sba.gov/vets.



2010 Small Business Procurement Data Shows Significant Progress toward Federal Contracting Goal

Small Businesses Received a Record High, Nearly \$100 Billion in Contracts

The federal government awarded nearly \$100 billion in federal contracts to small businesses in Fiscal Year (FY) 2010, showing an increase in federal prime contract dollars to small businesses for the second straight year after four years of decline.

The U.S. Small Business Administration announced that in FY 2010 (Oct. 1, 2009 – Sept. 30, 2010), small businesses won a record \$97.95 billion in federal contracts, or 22.7 percent of eligible contracting dollars. This marks the largest single year increase in more than five years, and is a significant improvement over FY 2009, when 21.9 percent of contracting dollars were awarded to small businesses.

Performance in four out of five of the small business prime contracting categories showed marked improvement, with increases in contract dollars and also in performance against statutory goals. **Over the past year, SBA has increased its efforts and collaboration with federal agencies to provide increased opportunities for small businesses to compete for and win federal contracts.**

Additionally, the SBA released the FY 2010 Small Business Procurement Scorecards, which provides an assessment of each agency's yearly small business contracting achievement against its goal with a grade A through F. Ten agencies' grades increased from FY 2009, 10 agencies' grades stayed the same and four agencies' grades decreased. The agency breakdown is as follows: 13 agencies received an "A"; 5 agencies received a "B"; 4 agencies received a "C"; and 2 agencies received a "D".

The federal government received a "B" on the government-wide Scorecard, just less than one point short of an "A". This grade reflects significant efforts by federal agencies toward meeting the 23 percent statutory goal, but indicates the need for continued improvement.

The FY 2010 Goaling Report and Scorecards also reflect efforts to strengthen the integrity of the contracting data and more

thoroughly address errors. While each federal agency is responsible for ensuring the quality of its own contracting data, SBA conducts additional analyses to help agencies identify potential data anomalies. As part of its ongoing data quality efforts, the SBA is working with federal agency procurement staff to provide tools to facilitate review of data, implement improvements to procurement systems and conduct training to improve accuracy.

Over the past year, SBA has been focused on a number of initiatives to help the government meet the 23 percent goal, ensure the accuracy of data and prevent waste, fraud or abuse, including:

Implementation of the Small Business Jobs Act of 2010 – The Act included 19 provisions related to increasing opportunities for small business contracting and minimizing fraud, waste or abuse in the programs. One of the key provisions is related to work force training to ensure that the procurement work force receives adequate training on small business programs.

Interagency Task Force on Federal Contracting Opportunities for Small Businesses – The President established a Task Force to identify recommendations to increase opportunities for small businesses to compete for and win federal contracts. The Task Force developed 13 recommendations, which SBA is in the process of implementing.

Collaboration with White House and Senior Agency officials – SBA is collaborating with the White House to ensure senior officials at each agency are aware of their role in meeting the government-wide small business contracting goal and holding them accountable to the goals.

Women-Owned Small Business Federal Contract Program – This new program will allow contracting officers to set-aside contracts for women-owned small businesses for the first time in fiscal year 2011.

Revised 8(a) Business Development Regulations – SBA recently published new regulations for this program for the first time in over a decade. These revisions will help ensure the benefits of the 8(a) program go to the intended recipients. SBA is in the process of implementing these revisions.

The annual Scorecard is an assessment tool to (1) measure how well federal agencies reach their small business and socio-economic prime contracting and subcontracting goals, (2) provide accurate and transparent contracting data and (3) report agency-specific progress. The prime and subcontracting component goals include goals for small businesses, small businesses owned by women, small disadvantaged businesses, service-disabled veteran-owned small businesses, and small businesses located in Historically Underutilized Business Zones (HUBZones).

Every two years, the SBA works with each agency to set their prime and subcontracting goals and their grades are based on the agreed upon goals. Each federal agency has a different small business contracting goal, determined annually in consultation with SBA. SBA ensures that the sum total of all of the goals exceeds the 23 percent target established by law.

Each agency's overall grade will show an A+ for agencies that meet or exceed 120 percent of their goals, an A for those between 100 percent and 119 percent, a B for 90 to 99 percent, a C for 80 to 89 percent, a D for 70 to 79 percent and an F for less than 70 percent. An agency's overall grade was comprised of three quantitative measures: prime contracts (80 percent), subcontracts (10 percent) and its progress plan for meeting goals (10 percent).

The individual agency scorecards released by SBA is available online: www.sba.gov/content/small-business-procurement-goaling-scorecards.

SCORE Presses for Success with Minuteman



Minuteman Press owner Jeanne Salisbury stands in front of her Pawtucket location on Central Avenue. Salisbury's revenues are up 300 percent with the help of SCORE.

Today it's lean times financially for many small businesses, and for some it's simply become just a great labor to remain profitable.

Jeanne Salisbury had met challenging times before. While raising five children, she apprenticed for 14 years at her sister-in-law's printing business, Rapid Printing in North Providence.

It's a laughing matter now, she recalls, but it was humbling at first, for Salisbury knew very little about printing and less about computers, never mind that she had never turned one on. Over time she grew enough in her trade to consider starting her own printing business.

She eventually did, purchasing a Minuteman Press franchise in Pawtucket. Then the recession hit hard in 2008. Through diminished returns, her enterprise struggled but survived. This year was worse. The end, despite her hopeful nature, appeared near. Rather

than closing doors, though, she called the Small Business Administration (SBA) in Providence for help.

Salisbury was referred to the Rhode Island chapter of SCORE: a team of business professionals who mentor at no cost to new and established small businesses. Steve Gareau, a SCORE mentor, called on her Central Avenue business.

According to Gareau, who draws his vast experience from various concerns as a business owner, he simply gives a gentle nudge to those that have gone astray. "I help people figure out what they want to do," he said. "Focus, stay to plan and be diligent," he tells them.

Coined by him as the "funneling effect," ideas are dumped into an imaginary funnel and what comes out is a more focused view of the direction to go. "What they feel in their hearts and minds is the strength of their direction," he believes.

Salisbury was looking to consolidate her debt, and had also considered, reluctantly, laying off her only employee who had been reduced to part-time. The numbers weren't adding up.

"Steve's pep talk lit a fire under me. The things he told me were pretty simple and basic," she said. For starters, Gareau suggested hiring a salesperson to bring in new business, and she did. And signage and marketing were also a big concern. "I have a great storefront but customers were driving down the street without seeing it. We actually went out to the street and looked at the building and he gave me some great ideas."

"Rapid Printing had such a strong local customer base," Salisbury recalled. "I didn't realize I had to market." In this economy, she's certain marketing has become more of a necessity. "If you don't market, you won't make it," she said emphatically.

In addition, as a customer convenience, Gareau recommended extending

business hours. Minuteman Press is now open later, until 6 p.m. on weeknights, and Saturday, from 10 a.m. to 2 p.m.

Reaching out into the community through improved sales and marketing is paying dividends. Revenues are up 300 percent. "We're just doing phenomenal," Salisbury said. "To make it work out there you have to go get it."

"Bad times are really when your expertise comes out," Gareau added.

Minuteman Printing provides full-color printing and copying services, from business cards to brochures to wedding invitations and signs.

This August Salisbury marked her fifth anniversary as a small business owner. She recognized the significance of the occasion and how far she had come to reach the milestone, hoping for many more to come.

SCORE can be reached by calling the Rhode Island SBA District Office at 401-528-4561.



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I need advice I can trust.**

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WWW.SCORE.ORG


Counselors to America's Small Business

New SBIR/STTR Portal Launched for Small Business Innovators



Through the Small Business Innovation Research (SBIR) program, the federal government provides seed-stage funding for small businesses meeting national research needs. The SBA has reinvented the www.SBIR.gov website with new features allowing these innovative companies to navigate opportunities across eleven federal agencies.

With a comprehensive database, robust search engine, user-friendly designer, and useful new content, the new SBIR.gov will help small businesses that are part of or may become part of the SBIR or STTR

programs. Here's a quick overview:

Who should use SBIR.gov?

SBIR.gov is designed to help small businesses connect with agencies as part of the Small Business Innovation Research Program (SBIR) and the Small Business Technology Transfer Program (STTR). It is a "one-stop-shop" if you are a small business interested in responding to an agency's solicitation for innovative research and development. Agencies and prime contractors looking for eligible small businesses may also find the site useful.

All Solicitations and Awards in One Place

The new SBIR.gov features a single database of all awards and solicitations. You can now search solicitations and awards across all 11 participating agencies. In addition to locating everything in one place, the new database allows you to filter awards and solicitations by multiple criteria, including agency, year, phase, program, state, and company.

Detailed Company Profiles

The new SBIR.gov allows you to view detailed information for companies who have won awards. This includes the number and amount of awards they have received as well as in-depth descriptions of each award.

Robust FAQs

Our Frequently Asked Questions help newcomers to the SBIR/STTR programs answer basic questions about whether they are eligible for the program and how it works.

Calendar of Events

Agencies host events all year long to promote SBIR programs and assist potential awardees. Find events in your area and for the agencies you care about on the new SBIR.gov.

Celebrate Success

Some of the great America success stories start with the SBIR program. Read the success stories of small businesses that leveraged SBIR awards to develop successful commercial products, create good jobs, and sustain our entrepreneurial spirit.

Small Businesses Have New Non-Profit Sources for SBA-financed Loans

Startups, newly established and growing small businesses now have a new source of financing backed by the U.S. Small Business Administration as 20 community organizations have been funded by SBA to start making loans up to \$200,000 to qualifying small businesses.

The Biddeford-Saco Area Economic Development Corporation of Saco, Maine and the Cooperative Fund of New England of Amherst, Mass., in SBA Region 1 are among the 20 organizations.

Authorized under the Small Business Jobs Act of 2010, the new Intermediary Lending Pilot Program will provide direct loans up to \$1 million to 20 community organizations or intermediaries in fiscal year 2011, which in turn will use those funds to help finance small businesses, mostly in underserved markets.

Designed to expand access to capital to small businesses and drive economic growth and job creation, the program will fund 20 additional community lenders in FY 2012. The program has an additional year of authority in FY 2013 subject to appropriation by Congress.

One goal of the pilot program over the next two-to-three years is to assess the intermediary model as an effective tool for increasing lower-dollar lending to small businesses and startups, particularly those in traditionally underserved communities.

For more information about the ILP program, visit the program website at <http://www.sba.gov/content/intermediary-lending-pilot>.

SBA 100

(continued from page 1)

"I am pleased that two outstanding Rhode Island firms have been recognized nationally by SBA for their significant job creation," said Mark S. Hayward, director of the SBA Rhode Island District Office. "Gregg's Restaurants and Pubs is a Rhode Island tradition in the hospitality industry while Versatile Marketing Solutions is making its mark nationally in the home security alarm industry."

Descriptions and a photograph gallery of each of the SBA 100 can be found at www.sba.gov/100.

The SBA 100 companies include businesses in a variety of industries, from manufacturing, to food and beverage, to shipping. Each business received SBA support in the form of capital, contracting, counseling or investment before going on to create at least 100 jobs.

RHODE ISLAND SBA BANK RANK

Fiscal Year 2011 (YTD) – October 1, 2010 to July 31, 2011

	Lender	7(a)	7(a) \$	504 Project Participation *
1.	BankRI	116	\$18,038,000	
2.	Citizens Bank	42	\$6,425,700	3 \$1,779,250
3.	Coastway Community Bank	39	\$14,307,000	5 \$3,700,000
4.	The Washington Trust Company	24	\$4,294,700	2 \$2,312,167
5.	Webster Bank	23	\$9,594,500	6 \$3,359,500
6.	Independence Bank	18	\$11,445,000	
7.	Sovereign Bank	18	\$3,939,500	
8.	BankNewport	14	\$4,496,000	11 \$5,281,650
9.	Westerly Community Credit Union	12	\$695,900	
10.	Navigant Credit Union	9	\$5,185,000	2 \$387,000
11.	Freedom National Bank	9	\$2,121,000	
12.	TD Bank	5	\$1,393,000	
13.	Coventry Credit Union	3	\$475,000	
14.	Holbrook Co-Operative Bank	2	\$1,464,000	
15.	Superior Financial Group	2	\$27,500	
16.	Celtic Bank Corporation	1	\$3,392,000	
17.	BNB Bank	1	\$2,250,000	
18.	Loan Source Incorporated	1	\$1,350,000	
19.	Metro Phoenix Bank	1	\$1,342,000	
20.	Citizens Union Savings Bank	1	\$956,000	
21.	Live Oak Banking Company	1	\$920,000	
22.	Mansfield Co-Operative Bank	1	\$654,000	
23.	First Trade Union Bank	1	\$436,400	
24.	Business Development Company	1	\$250,000	
25.	Home Loan Investment Bank	1	\$250,000	
26.	Harbor One Credit Union	1	\$100,000	
27.	Charles River Bank	1	\$73,800	1 \$85,775
28.	Mechanic's Co-Operative Bank	1	\$50,000	
29.	Unibank	1	\$50,000	
30.	BankFive	1	\$20,000	
	Bank of America			2 \$742,250
	Midwest Business Capital			1 \$415,000
	Rockland Trust			1 \$117,500
Total 7(a) Loans / 504 Participation		351	\$95,996,000	34 \$18,180,092

Certified Development Companies (504 Loan – Debenture Amount)

1.	Ocean State Business Development Authority	17	\$10,329,000
2.	New England Certified Development Corporation	7	\$1,797,000
3.	Rhode Island Community Investment Corporation	6	\$2,111,000
4.	South Eastern Economic Development Corporation	3	\$351,000
5.	Bay Colony Development	1	\$68,000
Total 504 Loans		34	\$14,656,000

Micro Loans

South Eastern Economic Development Corporation	3	\$42,000
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Total Loans **388** **\$110,694,000**

** Lenders' first mortgage share in 504 loan projects*



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